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DEPARTMENT OF COMMERCE

International Trade Administration

[C-533-825]

Polyethylene Terephthalate Film, Sheet, and Strip from India: Final Results of Countervailing Duty Administrative Review; 2013

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce

SUMMARY: On August 6, 2015, the Department published the preliminary results of the administrative review of the countervailing duty order on polyethylene terephthalate film, sheet, and strip (PET film) from India.¹ The period of review (POR) is January 1, 2013, through December 31, 2013.² Based on an analysis of the comments received, the Department has made changes to the subsidy rate determined for Jindal Poly Films Limited (Jindal). The final subsidy rates are listed in the “Final Results of Administrative Review” section below.

DATES: Effective date: (INSERT DATE OF PUBLICATION IN THE FEDERAL REGISTER.)

FOR FURTHER INFORMATION CONTACT: Elfi Blum, AD/CVD Operations, Office VII, Enforcement and Compliance, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-0197.

Scope of the Order

¹ See Polyethylene Terephthalate Film, Sheet and Strip From India: Preliminary Results And Partial Rescission of Countervailing Duty Administrative Review; 2013, 80 FR 46956 (August 6, 2015) (Preliminary Results 2013).

² As explained in the memorandum from the Acting Assistant Secretary for Enforcement & Compliance, the Department has exercised its discretion to toll all administrative deadlines due to the recent closure of the Federal Government. All deadlines in this segment of the proceeding have been extended by four business days. The revised deadline for the final results of this review is now February 8, 2016. See Memorandum to the Record from Ron Lorentzen, Acting A/S for Enforcement & Compliance, regarding “Tolling of Administrative Deadlines as a Result of the Government Closure During Snowstorm Jonas,” dated January 27, 2016.

For the purposes of the order, the products covered are all gauges of raw, pretreated, or primed polyethylene terephthalate film, sheet and strip, whether extruded or coextruded. Excluded are metallized films and other finished films that have had at least one of their surfaces modified by the application of a performance-enhancing resinous or inorganic layer of more than 0.00001 inches thick. Imports of PET film are classifiable in the Harmonized Tariff Schedule of the United States (HTSUS) under item number 3920.62.00.90. HTSUS subheadings are provided for convenience and customs purposes. The written description of the scope of the order is dispositive.

Analysis of Comments Received

The issues raised by Petitioners³ and Jindal in their case briefs, and Petitioners' rebuttal brief, are addressed in the Issues and Decision Memorandum.⁴ The issues are identified in the Appendix to this notice. The Issues and Decision Memorandum is a public document and is on file electronically via Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System (ACCESS). ACCESS is available to registered users at <http://access.trade.gov> and in the Central Records Unit, room B8024 of the main Department of Commerce building. In addition, a complete version of the Issues and Decision Memorandum can be accessed directly on the Internet at <http://trade.gov/enforcement/frn/index.html>. The signed Issues and Decision Memorandum and electronic versions of the Issues and Decision Memorandum are identical in content.

Changes Since the Preliminary Results

Based on the comments received from Petitioners and Jindal, we adjusted the numerators

³ DuPont Teijin Films, Inc., Mitsubishi Polyester Film, Inc. and SKC, Inc. (collectively, "Petitioners").

⁴ See Memorandum from Christian Marsh, Deputy Assistant Secretary for Antidumping and Countervailing Duty Operations, to Paul Piquado, Assistant Secretary for Enforcement and Compliance, "Issues and Decision Memorandum for the Final Results of Countervailing Duty Administrative Review: Polyethylene Terephthalate Film, Sheet, and Strip from India; 2013," dated concurrently with this notice and herein incorporated by reference (Issues and Decision Memorandum).

used in Jindal's subsidy rate calculations for the Export Promotion Capital Goods Scheme (EPCGS) and the Duty Drawback (DDB) programs. For a discussion of these issues, see the Issues and Decision Memorandum and Memorandum to the File from Elfi Page, International Trade Compliance Analyst, titled "Final Results of 2013 Countervailing Duty Administrative Review: Polyethylene Terephthalate Film, Sheet, and Strip from India- Jindal Polyfilms Limited," each dated concurrently with these final results.

Methodology

The Department conducted this review in accordance with section 751(a)(1)(A) of the Tariff Act of 1930, as amended (the Act). For each of the subsidy programs found countervailable, we find that there is a subsidy, i.e., a government-provided financial contribution that gives rise to a benefit to the recipient, and that the subsidy is specific.⁵ For a description of the methodology underlying all of the Department's conclusions, see the Issues and Decision Memorandum.

Companies Not Selected for Individual Review

For the companies not selected for individual review (Ester, Garware, Polyplex, Vacmet, and Vacmet India Limited), because the rates calculated for Jindal and SRF were above de minimis and not based entirely on facts available, we applied a subsidy rate based on a weighted average of the subsidy rates calculated for Jindal and SRF using publicly ranged sales data submitted by respondents.⁶

⁵ See sections 771(5)(B) and (D) of the Act regarding financial contribution; section 771(5)(E) of the Act regarding benefit; and, section 771(5A) of the Act regarding specificity.

⁶ The statute and the Department's regulations do not directly address the establishment of rates to be applied to companies not selected for individual examination where the Department limited its examination in an administrative review pursuant to section 777A(e)(2) of the Act. However, the Department normally determines the rates for non-selected companies in reviews in a manner that is consistent with section 705(c)(5) of the Act, which provides instructions for calculating the all others rate in an investigation. Section 705(c)(5)(A) of the Act instructs the Department to calculate an all others rate using the weighted average of the subsidy rates established for the producers/exporters individually examined, excluding any zero, de minimis, or facts available rates. In this review,

Final Results of Administrative Review

In accordance with section 777A(e)(1) of the Act and 19 CFR 351.221(b)(5), we determine the total estimated net countervailable subsidy rates for the period January 1, 2013, through December 31, 2013 to be:

Manufacturer/Exporter	Subsidy Rate (percent <u>ad valorem</u>)
Jindal Poly Films of India Limited	8.90
SRF Limited	2.11
Ester Industries Limited	6.09
Garware Polyester Ltd.	6.09
Polyplex Corporation Ltd.	6.09
Vacmet	6.09
Vacmet India Limited	6.09

Assessment and Cash Deposit Requirements

In accordance with 19 CFR 351.212(b)(2), the Department intends to issue appropriate instructions to U.S. Customs and Border Protection (CBP) 15 days after publication of the final results of this review. The Department will instruct CBP to liquidate shipments of subject merchandise produced and/or exported by the companies listed above, entered or withdrawn from warehouse, for consumption from January 1, 2013, through December 31, 2013, at the percent rates, as listed above for each of the respective companies, of the entered value.

The Department intends also to instruct CBP to collect cash deposits of estimated countervailing duties, in the amounts shown above for each of the respective companies shown

calculating the non-selected rate by weight averaging Jindal's and SRF's rates risks disclosure of proprietary information. Therefore, we calculated the rate for the non-selected companies by weight averaging the rates of Jindal and SRF using publicly-ranged sales data.

above, on shipments of subject merchandise entered, or withdrawn from warehouse, for consumption on or after the date of publication of the final results of this review. For all non-reviewed firms, we will instruct CBP to continue to collect cash deposits at the most-recent company-specific or all-others rate applicable to the company, as appropriate. These cash deposit requirements, when imposed, shall remain in effect until further notice.

Administrative Protective Order

This notice also serves as a final reminder to parties subject to an administrative protective order (APO) of their responsibility concerning the return or destruction of proprietary information disclosed under APO in accordance with 19 CFR 351.305(a)(3), which continues to govern business proprietary information in this segment of proceeding. Timely written notification of the return/destruction of APO materials or conversion to judicial protective order is hereby requested. Failure to comply with the regulations and terms of an APO is a violation which is subject to sanction.

These final results are issued and published in accordance with sections 751(a)(1) and 777(i)(1) of the Act.

Dated: February 8, 2016.

Paul Piquado,
Assistant Secretary
for Enforcement and Compliance.

APPENDIX I

Issues and Decision Memorandum

- I. Summary
- II. Background
Scope of the Order
- III. Subsidies Valuation Information
 - A. Allocation Period
 - B. Benchmarks Interest Rates
 - C. Denominator
- IV. Analysis of Programs
 - A. Programs Determined To Be Countervailable
 - B. Programs Determined To Be Not Used or to Provide No Benefit During the POR
- V. Analysis of Comments

- Comment 1: Whether The Department Wrongly Countervailed Export Promotion Capital Goods Scheme (EPCGS) Benefits That Apply To Non-Subject Merchandise.
- Comment 2: Whether the Department Used The Wrong Numerator To Calculate The POR Benefit For The Status Holder Incentive Scheme (SHIS).
- Comment 3: Whether the Value Added Tax (VAT) And Central Sales Tax (CST) Refunds Under the Industrial Promotion Subsidy (IPS) Of the State Government Of Maharashtra's (SGOM) Package Scheme Of Incentives (PSI) Is Countervailable.
- Comment 4: Whether the Department Double Counted One Of The EPCGS Licences Reported By Jindal And Failed to Include The Benefit Of Another License In Its Rate Calculations For Jindal
- Comment 5: Whether the Department used the wrong figure to calculate the Duty Drawback Subsidy for Jindal

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